



FOURTH QUARTERLY REPORT FY2018

USAID COMMUNITY AND MUNICIPAL GOVERNANCE INITIATIVE IN THE KYRGYZ REPUBLIC

July 1, 2018 – September 30, 2018

This report was produced for review by the United States Agency for International Development (USAID).
It was prepared by DAI.

Activity Title:	USAID Community and Municipal Governance Initiative in the Kyrgyz Republic
Contract Number:	AID-I76-C-16-00002
Sponsoring USAID Office:	Democracy and Governance Office
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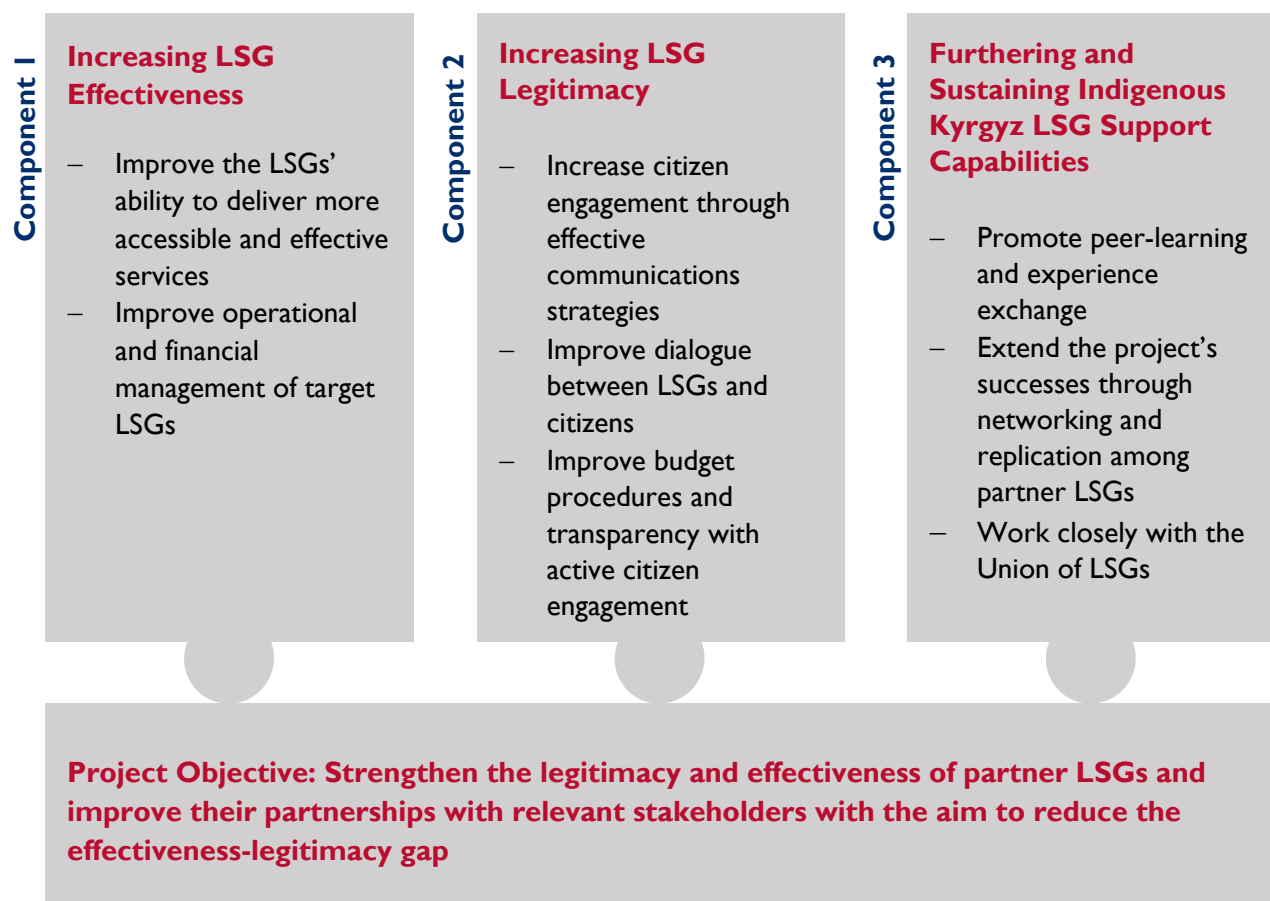
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PROJECT DESCRIPTION

USAID Community and Municipal Governance Initiative supports the Government of the Kyrgyz Republic to strengthen the vital relationship between local governing bodies and the public they serve. The project focuses on service delivery improvements that are highly visible to the public with immediate positive impacts—such as solid waste management, water, lighting, transportation, and local economic development—while concurrently building the capacity of partner local self-governments (LSGs) across all service areas for which they are responsible. The activity encourages peer learning and bolsters existing mechanisms for local self-governments to engage in a national dialogue.

Project duration: October 2016 to September 2021

Components:



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ACRONYMS AND ABBREVIATIONS

AA	Ayil Aimak
AK	Ayil Kenesh
AO	Ayil Okmotu
AWU	Association of Water Users
AMEP	Activity Monitoring & Evaluation Plan
CAMI	Community and Municipal Governance Initiative (CAMI) in the Kyrgyz Republic
CDCS	Country Development Cooperation Strategy
CGP	Collaborative Governance Program (USAID)
CPAT	City Performance Assessment Tool
CSOs	Civil Society Organizations
DPI	Development Policy Institute
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IRI	International Republican Institute
KOICA	Korea International Cooperation Agency
LSG	Local Self-Government
LSGPAT	LSG Performance Assessment Tool
M&E	Monitoring & Evaluation
MIS	Management Information System
MPP	Municipal-Private Partnership
PIRS	Performance Indicator Reference Sheet
PMP	Performance Management Plan
PSI	Public Service Improvement Project
SALSGIR	State Agency of LSG and Inter-Ethnic Relations
SDW	Solid domestic waste
SMEs	Small and medium-sized enterprises
SED	Social and economic development
SEDP	Social and economic development plan
SUPPL	Scaling up the peer-to-peer learning in public finance at the local self-government level in the Kyrgyz Republic project (World Bank)
STS	State Tax Service
TAMIS	Technical and Administrative Management Information System
USAID	United States Agency for International Development
VAP	Strengthening Voice and Accountability of Citizens' Participation and Oversight of Budget Processes Project in the Kyrgyz Republic (Swiss Agency for Development and Cooperation)
VIS	Visible Improvement Strategy

EXECUTIVE SUMMARY

USAID Community and Municipal Governance Initiative in the Kyrgyz Republic (CAMI) started its operations in October 2016. This is the fourth quarterly performance report of Year 2, covering the project activities that were realized in the July 1, 2018 – September 30, 2018 work period.

QUARTERLY HIGHLIGHTS

- Organized a study tour in the Issyk-Kul region for 32 partner LSGs to facilitate experience exchange and peer-learning. The event contributed to creating a community of local leaders and experts that will disseminate best practices and approaches promoted by CAMI;
- Conducted 28 public hearings for 1,584 participants in partner Round I and Round II LSGs;
- Developed 10 Communications Strategies for the northern tier LSGs;
- Launched mobile feedback mechanism via WhatsApp in 13 LSGs;
- Contracted Rebicon research company to conduct performance progress legitimacy survey in Round I and Round II LSGs;
- Conducted two performance progress effectiveness surveys in Round I and Round II LSGs;
- Organized CAMI fourth Coordination Council meeting;
- Finalized the PEA report and organized a roundtable with key local, national and international stakeholders to present key PEA findings.

EXPLANATION OF CHALLENGES AND ACTIONS TAKEN

The table below summarizes challenges, delays, or adverse conditions and actions taken or contemplated to resolve the situation, or any assistance needed to resolve the situation.

Challenges	Actions Taken	Further Action Required
CAMI faced challenges in organizing the study tour for 32 municipalities from four pilot regions (Osh, Jalalabad, Naryn and Issyk-Kul). The study tour was held in Issyk-Kul region in August, which is a vacation season in the country. Additionally, this year Kyrgyzstan hosted the third World Nomad Games. It was difficult to engage LSG representatives, particularly Heads of Ayil Okmotus, as they were heavily involved in organizing the World Nomad Games.	CAMI managed to engage LSG employees, representatives of the Working Commissions, and local activists in six Issyk-Kul municipalities that demonstrated their best practices to the study tour participants. Heads of Teploklyuchenka and Orgochor AOs found time in their busy schedules to greet the study tour participants and facilitate discussions. This demonstrates the commitment of CAMI partner LSGs to working closely with the project and the leadership in their communities.	No further action required.

ACTIVITY IMPLEMENTATION PROGRESS OVERVIEW

During this quarter, CAMI made solid progress in completing the following activities:

LSG PERFORMANCE ASSESSMENT

- Conducted the LSGPAT on effectiveness and legitimacy in partner LSGs for Year 2 results.

OUTCOME I: INCREASING LSG EFFECTIVENESS

- Developed a practical handbook on local service management
- Built core capacities of Round II LSGs for visible service performance through the following trainings:
 - Cluster trainings on management of drinking water service delivery;
 - Cluster trainings on management of municipal enterprise;
 - Cluster trainings on asset management.
- Developed/or updated the following important documents necessary for improved service delivery:
 - Report on execution of budget;
 - Investment plans;
 - Business plans on development of water supply management;
 - Business plans on sustainability of municipal enterprise;
 - Program on asset management.
- Provided coaching to partner LSGs on the following topics:
 - Property Tax Revenue;
 - Asset management;
 - Budget efficiency.

OUTCOME II: INCREASING LSG LEGITIMACY

- Arranged public dialogues on issues related to Visible Improvement Strategies;
- Conducted public hearings in partner LSGs;
- Launched the WhatsApp Mobile Feedback Mechanism in selected LSGs;
- Developed Communications Strategies for northern tier LSGs.

OUTCOME III: FURTHERING INDIGENOUS KYRGYZSTANI LSG SUPPORT CAPABILITIES

- Conducted the fourth CAMI Coordination Council meeting;
- Published an article on the Code of Ethics in “Municipalitet” magazine;
- Conducted a domestic study tour for partner LSGs;
- Organized regular meetings with the Union of LSGs;
- Finalized the PEA Report and conducted a roundtable in the PEA format with key national and local partners and stakeholders.

Below is the detailed description of CAMI progress against the Work Plan activities.

LSG PERFORMANCE ASSESSMENT

A 3.2 CONDUCT LSGPAT IN PARTNER LSGS FOR YEAR 2 RESULTS

During this quarter, CAMI conducted two effectiveness surveys:

- Performance Progress 1 in Round II LSGs;
- Performance Progress 2 in Round I LSGs.

Generally, LSGs of Round II that scored the lowest in effectiveness in the 2017 baseline assessment saw the largest increase in effectiveness scores in the 2018 performance progress study. For example, Isanov and Zulpuev increased their effectiveness scores by 27 and 26 points, respectively. These two LSGs were also among five LSGs to score less than 35 points on the initial baseline study (33 and 31, respectively). In general, LSGs that scored higher on the baseline (above 40) had more modest improvements in effectiveness, with an average increase in of 9.9 points. Perhaps unsurprisingly, the project has found that it is harder to increase the effectiveness of LSGs that are already performing in the top 40% of LSGs. However, the dramatic increase in effectiveness scores in low-performing baseline LSGs suggests that the CAMI project has been very effective in jumpstarting better service delivery and improving effectiveness in these municipalities.

Additionally, CAMI conducted baseline Round III gap analysis report. In general, the baseline survey revealed that Round III LSGs scored relatively low on many indicators. As it can be seen from the ranking in Figure 3 (below), no one scored 50 points or higher, including the three cities. In comparison, there were six LSGs in Round I and one LSG in Round II—Kosh-Dobo AO of the Kochkor region—that scored higher than 50 points. Out of the total 18, ten LSGs scored an average range of 30-39 points, six municipalities scored an average range of 40-49 points, and two LSGs scored an average of less than 30 points.

OUTCOME I: INCREASING LSG EFFECTIVENESS

CAMI continued to support 32 Round I and Round II to progress with implementation of services in the framework of VIS, provided coaching to build the capacity of AO staff, AK deputies, and members of the Working Commissions, developed regulations and supported LSGs in updating investment plans. Another focus of the Component I during this quarter was the development of Gap Analysis and Effectiveness Reports for the Round I and Round II LSGs.

I.1 INCREASING STAFF COMPETENCY AND CAPACITY

I.1.2a BUILD CORE CAPACITIES FOR VISIBLE SERVICE PERFORMANCE

In previous quarters the Round II LSGs in Nookat an Naryn regions have finalized and approved by the AK decision their VIS. Several of the LSGs were at the final preparation stages for launching the priority services by the end of the quarter. CAMI continued to support the Round I LSGs for launching second and third priority services.

CONDUCT 2 CLUSTER TRAININGS ON MANAGEMENT OF DRINKING WATER SERVICE DELIVERY (ROUND II)

Drinking and irrigation water supply is one of the major concerns of the partner LSGs. The legal basis of the KR allows for organizing the water supply at the local level with the integral engagement of local citizens and local administration. The role of Water Users Association (further Association), therefore, comes of an utmost importance.

To support the Associations to initiate and implement drinking water supply to citizens of partner LSGs CAMI organized trainings on drinking water service delivery. More than 40 AK deputies, members of Working Commissions, AO specialists and representatives of Water User Associations from Naryn, Issyk-Kul, and Osh regions participated in the trainings. The training discussed the factors for turning drinking water supply into a sustainable service in rural areas. Training delivered materials on organization and legal basis of the Water Users Association, tariff policy for water supply, tariff calculation methods and involvement of Associations with water users. It was highlighted that a sustainable mechanism of rural water supply can be ensured only when operational costs are justified and compensated by the service users. Provision of fee-based services allows to solve several technical, operational and financial problems that the Associations may face while delivering water to end users. Therefore, participants practiced on calculating the tariffs based on tables with norms of water usage, developed methodology for calculating tariffs, standard forms for calculating tariffs, and calculated operational costs such as electricity, depreciation, maintenance and labor costs.

In the end of the trainings, participants received reference materials such as rules of water use from rural water supply systems, standard contracts with individual and enterprise water users, standard forms for accounting the water users and volume of water consumption, as well as forms of invoice, receipts and notifications on payment for water users. To support qualified organization of activities, accountants and supervisors were provided with standard forms of job descriptions and schedules.

“ I received relevant and practical training on cost calculation, economic sustainability and work with water users to provide effective service on drinking water supply. I especially enjoyed suggestions with regards to engaging and involving local population to build the sustainable service. We learned to calculate the tariffs not from the point of customers’ view, but based on our financial needs. We calculated the costs for labor, electricity, equipment and its maintenance and only then we finalized the tariff for water. Before we only concentrated on the capacity to pay of the villagers, and ignored our own costs to sustain and run the service in the long-term”.

- Mr. Tynybek Mamatov, Head of Water Zulpuev AO Water Users’ Association

CONDUCT 2 CLUSTER TRAININGS ON MANAGEMENT OF MUNICIPAL ENTERPRISE (ROUND II)

CAMI continued to train partner LSGs on number of issues regards the management of municipal enterprise. CAMI conducted trainings in Nookat and Naryn raions with 47 representatives of AO, and members of Working Commissions. The trainings mainly aimed at enhancing capacities of local self-governments in establishing and effectively managing an enterprise for providing municipal services. The

training discussed in detail about identification and classification of services that such an enterprise can provide, role and authorities of LSGs in establishing municipal enterprise, ensuring the sustainability of municipal enterprise, as well as property of municipal enterprise and agreement relations.

The need for the training was dictated by the partnering LSGs. In Nookat raion of Osh region out of eight LSGs only Kulatov AO had an operating municipal enterprise. In Kochkor raion of Naryn region there were only several enterprises. On the contrary, number of municipal enterprises were abundant in Issyk-Kul region. The common focus in all LSGs was in lack of experience and knowledge in legal basis required for operating municipal enterprise, its economic activities, and compliance with financial regulations. Therefore, all heads of AOs showed interest in the topic and actively engaged in the training.

“The training helped me to settle disputes over authorities of the local self-governments to transfer some municipal services to a municipal enterprise. Our main concern at the AO was losing control over the quality of service in case of delegating it to a municipal enterprise. Also, we feared that the AO would not have an authority to monitor and control the operations of the enterprise. The training drew the legal and administrative framework for us to contract the enterprise. Following this framework, we can successfully transform several services such as waste management to the enterprise”.

- Mr. Omor Suyunaliev, Deputy Head of Kochkor AO

CONDUCT 2 CLUSTER TRAININGS ON ASSET MANAGEMENT (ROUND II)

Cluster trainings on asset management for the LSGs in Nookat, Kochkor and Ak-Suu raions were conducted in the previous quarter. It aimed at enhancing the capacity of the pilot LSGs in managing municipal assets. Over the course of the training it became obvious that municipal assets were managed in rather inefficient manner. As a result, such assets did not produce desired economic benefits, which could sustain local self-governments. Therefore, more than 60 administrative staff of AOs in Issyk-Kul, Kochkor and Osh raions participated in the trainings. They learnt legal and administrative regulations on renting out the property of the AO, keeping inventory list of their assets, and monitor facilities for their proper maintenance and usage for intended purposes by the lenders. During the training, participants learnt to fill out and maintain inventory list/registry of municipal assets, using the standard MA registry, approved by respective resolution of the Government of the Kyrgyz Republic.

DEVELOP AND PUBLISH A PRACTICAL HANDBOOK ON LOCAL SERVICES MANAGEMENT

The trainings on asset management reflected the need of the LSGs in further reference materials in services management. Therefore, CAMI experts developed the practical handbook on local services management during this quarter.

The manual is intended for municipal employees, employees of specialized enterprises and institutions involved in the organization of services at the city and aimak levels. The manual integrates the regulatory legal acts of the Kyrgyz Republic, methodological documents approved by the relevant government bodies, as well as on the practical experience of CAMI. The handbook reflects on improving the budget process, management of municipal property, personnel policy and contracting service providers to

enable LSGs provide better services. To successfully coordinate all these processes, it is recommended that the LSGs develop a Visible Improvement Strategy that helps to organize the priority services needed for citizens. The strategy provides an opportunity for LSGs to form an action plan for the organization of the service, covering as many abovementioned aspects as possible. Therefore, the manual provides for the recommended form of action plan for the organization of services. The manual also provides for the service organization scheme in 12 steps with each step having an outline of tasks of the LSG.

CAMI is currently finalizing and designing the graphic layout of the handbook. CAMI plans to publish and disseminate the handbook among all CAMI partner LSGs in Year 3.

I.1.2b ROAMING TECHNICAL SPECIALISTS ASSIST LSGS IN PLANNING, BUDGETING, SERVICE MANAGEMENT, AND OVERSIGHT RELATED TO SELECTED SERVICE

DEVELOP THE STANDARDS OF ADDITIONAL REGISTER OF SERVICES AND APPROVE BY AK DECISION

In the previous quarter, CAMI trained partner LSGs to develop the standards of an additional register of services. Next the LSGs submitted the standards for the review of Ayil Kenesh. All 32 LSGs have now updated the additional registry. Jany-Nookat AO, Kara-Tash AO, Kulatov AO, Mirmahmudov AO, Zulpuev AO, Isanov AO, On-Eki-Bel AO approved the Registries by AK decision.

DEVELOP THE REPORT ON EXECUTION OF THE BUDGET

The LSGs conducted public hearings on budget and tariffs during this quarter. CAMI consultants and field officers helped LSGs to prepare reports on revenues and expenditures of the local budget, plan of budget for the next year. CAMI also supported the LSGs in presentation of the reports on the budget and addressing questions of the audience during the public hearings.

UPDATE THE EXISTING INVESTMENT PLANS (ROUND I)

Social and Economic Development Plans (SEDP) implies the development of investment plans that allows LSGs to draw external funding. CAMI supported its partner LSGs to update their SEDP with adding investment plans. During this quarter, Tepke AO also succeeded to update its SEDP. Encouraged by the training on investment plan developing conducted by CAMI in the second quarter Tepke AO staff updated the SEDP, particularly focusing on the investment plan.

ELABORATE BUSINESS PLANS ON DEVELOPMENT OF WATER SUPPLY MANAGEMENT AND APPROVE BY HEAD OF AO DECISION

During this quarter, seven out of eight LSGs in Nookat raion (Isanov, Jany-Nookat, Kulatov, Mirmahmudov, On-Eki-Bel, Zulpuev, Kenesh) and four out five LSGs in Kochkor raion (Cholpon, Kochkor, Kosh-Dobo, Kok-Jar) developed business plans on development of water supply management. The LSGs prioritized the supply of drinking water to citizens. The LSGs succeeded to develop the business plans after training on water supply management that also took place during this quarter.

DEVELOP BUSINESS PLANS ON SUSTAINABILITY OF MUNICIPAL ENTERPRISE AND APPROVE BY HEAD OF AO DECISION

During this quarter, CAMI supported Jany-Nookat, Kara-Tash, Kulatov AOs in Nookat raion and Kochkor, Kum-Dobo AOs in Kochkor raion in developing business plans on sustainability of municipal enterprise. These plans were approved by AO heads in respective AOs.

DEVELOP THE PROGRAM ON ASSET MANAGEMENT AND APPROVE BY AK DECISION (ROUND I)

In the previous quarter CAMI began developing the Regulation on Asset Management. The Regulation is under final stage of publishing during this quarter. The Regulation will then serve as the basis for creating the Program on Asset Management unique for each Ayil Okmotu.

1.3.1 MAXIMIZE OWN SOURCE REVENUE

PROVIDE COACHING ON ASSET MANAGEMENT

During this quarter, CAMI experts provided coaching to partner LSGs on asset management, tax administration and budget efficiency.

OUTCOME II: INCREASING LSG LEGITIMACY

During this quarter, CAMI supported the organization of public budget hearings and public hearings on cost calculation of service fees in partner Round I and Round II LSGs, developed 10 Communications Strategies for the northern tier LSGs, and launched mobile feedback mechanism via WhatsApp in 13 LSGs. Moreover, CAMI contracted Rebicon research company to conduct performance progress legitimacy survey in Round I and Round II LSGs.

2.1 STRENGTHENING STAKEHOLDERS ENGAGEMENT IN LSG PLANNING AND EXECUTION

2.1.1a INSTITUTIONALIZE STAKEHOLDER ENGAGEMENT IN DEVELOPMENT OF VISIBLE IMPROVEMENT STRATEGY

ARRANGE PUBLIC DIALOGUES ON THE ISSUES RELATED TO VIS

During this quarter, CAMI helped to organize 2 public dialogues on cost calculation of service fees in Kum-Dobo and Kosh-Dobo LSGs of the Kochkor raion. At these hearings, citizens discussed service fees on drinking water, irrigation water, and solid waste collection and removal. Based on the minutes of these hearings, the Ayil Keneshes in these LSGs reviewed and approved the proposed service fees.

For instance, at the public hearings the residents of Kosh-Dobo LSG approved the service fee of 16.5 KGS for water supply and 5 KGs per each member of the household for solid waste collection and removal. For the difference in the cost of services Ayil Okmotu will provide subsidies from the local budget to compensate for the costs incurred by the municipal enterprise in the course of its production

activities. However, the Head of Kosh-Dobo AO noted that the subsidies would not be allocated every year and would be reduced annually, thus service fees would gradually increase.

2.1.1b INSTITUTIONALIZE STAKEHOLDER ENGAGEMENT IN PLANNING, RESOURCING, SERVICE MANAGING, AND OVERSIGHT

CONDUCT PUBLIC HEARINGS WITH INVOLVEMENT OF CITIZENS, CSOS, MINORITIES, VULNERABLE GROUPS, WOMEN, AND YOUTH

During this quarter, all 32 Aiyl Okmotus of Round I and Round organized public budget hearings with CAMI support. The hearings focused on the following issues:

- Draft budget for 2019;
- AO's report on expenditures during the first six month of 2018.

A total of 1,584 people participated in the public budget hearings enabling citizens to stay informed and get involved in the decision-making process at the local level.

2.1.1c ASSIST LSGS TO UPDATE CITIZEN CHARTERS TO INSERT DECISIONS CONCERNING PUBLIC SERVICE DELIVERY

This activity was completed in the third quarter of Year 2. CAMI reported on it in the previous quarterly report.

2.1.2a SUPPORT TO AK ON CONDUCTING PUBLIC HEARINGS, INCLUDING ENGAGING WOMEN AND MINORITIES

DEVELOP THE CODE OF ETHICS FOR AK DEPUTIES AND APPROVE BY AK DECISION

Upon agreement with USAID, this activity was transferred to Component 3 and CAMI tasked the Union of LSGs to develop the Code of Ethics for AK Deputies (please refer to **p. 11** for detailed progress on this activity).

2.1.3 SUPPORT TO CITIZEN MONITORING; LAUNCH SMS CITIZEN FEEDBACK MECHANISM

During this quarter, CAMI supported introduction of mobile feedback mechanism via WhatsApp in 13 partner LSGs in the Issyk-Kul, Naryn and Osh regions. CAMI conducted practical trainings on the introduction of mechanism and provided laptops and smartphones for operational use. The LSGs demonstrate good results in the implementation of this activity. Out of 13 LSGs Kosh-Dobo AO demonstrates the highest results in integrating the mechanism in their daily work. Kosh-Dobo introduced the mechanism in August 2018. To date, AO has registered 387 contacts and received 41 requests from citizens. AO has placed advertisements with their WhatsApp number in different locations, including shops and markets. Through an ad in the local shop four internal migrants from Osh, southern Kyrgyzstan, were able to contact AO and promptly receive information on the registration at the place of residence.

2.2 RECONCILING COMMUNITY EXPECTATIONS WITH LSG RESOURCES

2.2.1 ACCESS COMMUNITY EXPECTATION GAP

CONDUCT BASELINE LEGITIMACY SURVEY FOR ROUND III LSGS

In August 2018, CAMI contracted Rebicon research company to conduct the first Performance Progress Survey for Round II LSGs and the second Performance Progress Survey for Round I LSGs.

In the previous quarter, Rebicon conducted Round III baseline legitimacy report. CAMI reported on this activity in the previous quarterly report.

2.2.2 STRENGTHEN LSG PUBLIC OUTREACH, “PROACTIVE DISCLOSURE” OF INFORMATION, AND PARTNERSHIPS WITH CSOS TO HELP SHRINK COMMUNITY EXPECTATION GAP

DEVELOP THE COMMUNICATIONS STRATEGY AND APPROVE BY HEAD OF AO DECISION

During this quarter, ArtBox Company worked closely with the Northern Tier AOs to finalize their Communications Strategies and develop realistic action plans. 10 Communications Strategies of the following AOs in the Issyk-Kul and Naryn regions were finalized and approved by the Heads of AOs:

- Ak-Bulun;
- Boz-Uchuk;
- Kerege-Tash;
- Tepke;
- Jeti-Oguz;
- Cholpon;
- Kok-Jar;
- Kum-Dobo;
- Kochkor;
- Kosh-Dobo.

ArtBox and AO representatives integrated the previously developed CAMI products – VIS, citizen charters, the concept of WhatsApp feedback mechanism – in the Communications Strategies. In these strategies the following changes were made compared to the Communications Strategies for the Southern Tier:

- Identified different communications channels for each AO;
- Included background information about Ayil Aimak in each strategy;
- Highlighted the ways of ensuring sustainability of the strategy in a separate section;
- Simplified the text, content and structure of each document for easier understanding.

OUTCOME III: FURTHERING INDIGENOUS KYRGYZSTANI LSG SUPPORT CAPABILITIES

During this quarter, CAMI organized its fourth Coordination Council meeting, conducted a study tour for 32 partner municipalities in the Issyk-Kul region, finalized the PEA report and organized a roundtable with key local, national and international stakeholders to present key PEA findings. Moreover, SALSGIR adopted the Code of Ethics developed with CAMI support as a Standard Code to be recommended for use to Ayil Keneshes throughout the country.

3.1.1 IMPROVE COORDINATION THROUGH CAMI-SUPPORTED MECHANISM

CONDUCT 2 MEETINGS OF THE CAMI COORDINATION COUNCIL

On August 30, 2018, CAMI organized its fourth Coordination Council meeting for the representatives of local state counterparts and non-governmental institutions, the international donor community and projects, LSGs and local experts.

CAMI presented the following activities, practices and products to the Coordination Council members:

- Study tour on the promotion of best practices of partner LSGs;
- CAMI partnership with the Union of LSGs;
- Communications Strategy of Kosh-Dobo LSG;
- Code of Ethics for deputies of local keneshes;
- Visible Improvement Strategy of Kum-Dobo LSG.

Additionally, CAMI presented its planned activities for Year 3 with a focus on the partnership with regional NGOs.

3.2 PROMOTING NEW AND EXPANDED USAGE OF EXISTING PRODUCTS, SERVICES, AND PRACTICES

During the previous quarter, CAMI supported the development of the Code of Ethics for Ayil Kenesh deputies. CAMI tasked the Union of LSGs to develop the Code of Ethics that would define the moral principles and rules of conduct mandatory for Ayil Kenesh deputies.

During this quarter, on July 24, 2018, SALSGIR adopted the proposed document as the Standard Code of Ethics that will be recommended for use to Ayil Keneshes throughout the country.

On July 20, 2018, the Union of LSGs conducted training on the Code of Ethics for the deputies of the Yrys Aiyl Aimak in Suzak raion of the Jalalabad region. After the training, deputies unanimously adopted the Code of Ethics for the deputies of the Yrys Aiyl Kenesh.

PUBLISH BEST PRACTICES IN “MUNICIPALITET” MAGAZINE

CAMI highlighted the importance of the Code of Ethics for Ayil Kenesh deputies and published the entire text of the document in Kyrgyz and Russian in the September 2018 issue of “Municipalitet” magazine.

CONDUCT 2 DOMESTIC STUDY TOURS

On August 23-24, 2018, CAMI organized a study tour for 32 partner municipalities from Issyk-Kul, Jalalabad, Naryn, and Osh regions. The event brought together local activists, entrepreneurs, and representatives of municipalities and local councils from partner regions. Participants learned from their peers by visiting CAMI partner municipalities in Issyk-Kul region that have successfully launched priority services for their citizens.

During the first day, participants visited Teploklyuchenka municipality to learn about veterinary service and effective interaction between the municipality and citizens via WhatsApp mobile app; attended a concert organized by young local talents from dance and music clubs at Lipenka cultural center and studied how Jeti-Oguz municipality launched a municipal-private partnership to run sports clubs at a newly built sports center.

During the second day, representatives of Darkhan municipality presented their journey on reviving the cultural center by opening dance and music clubs for adults and schoolchildren; Orgochor municipality reflected on the importance of proper veterinary care and its impact on citizens' health that contributed to an effective partnership between the municipality and private veterinarians; and Ak-Dobo municipality shared their approaches to ensuring an uninterrupted provision of clean drinking water to its citizens.

The study tour provided a unique opportunity for participants to build their network, exchange experience and examine various practical ways of launching effective and sustainable municipal services. The event contributed to creating a community of local leaders and experts that will disseminate best practices and approaches promoted by CAMI.

3.3 ENSURING A POST-ACTIVITY MECHANISM FOR LSG ASSISTANCE AND SUPPORT

In Year 3, CAMI plans to work closely with LSGs and the non-governmental sector (private organizations, consultants, Union of LSGs) to ensure that LSGs can engage regularly with this sector and access the full range of services that they can provide beyond the CAMI program. By Year 4, the project will begin the transition of tools, manuals and training curricula to Kyrgyz organizations that demonstrate capacity and expertise to provide support to LSGs. To achieve this objective, during Year 3 CAMI will identify NGOs (both private sector and civil society) in each region and work with them to build their capacity and relationships with LSGs. CAMI is aiming to select approximately eight NGOs in four raions. In its initial phase in Year 3, CAMI will explore the NGO market to identify organizations that have demonstrated capacity and expertise.

During this quarter, CAMI begun mapping exercise in the four regions where CAMI works that will include the issuing of an Expression of Interest (EOI) to gauge NGOs' abilities in related technical areas,

followed up with validation through meetings. In parallel with this mapping exercise, CAMI will work directly with AOs to determine their demand: what are the needs of LSGs in terms of consulting services, and just as important, what are they willing to pay for.

3.3.1 POLITICAL ECONOMY ANALYSIS

During the previous quarter, CAMI developed PEA at the local level. PEA at the local level indicated the differences between the Issyk-Kul and Jalalabad regions. The analysis helps to understand the current situation in both regions before initiating any initiatives. The Issyk-Kul region seeks to address long-term issues and as such is future-oriented, while the Jalalabad region is more focused on addressing immediate problems.

PRESENT THE UPDATED ANNUAL POLITICAL ECONOMY ANALYSIS TO STAKEHOLDERS

During this quarter, CAMI finalized the PEA and presented key PEA findings to local, regional, and national stakeholders at a roundtable on August 30, 2018. CAMI reflected the feedback and suggestions from the roundtable participants in the final version of the document. Additionally, CAMI created the second version of PEA targeted at the national and local stakeholders. The document summarized key findings.

PEA 2018 produced a long list of comprehensive problems. Thus, CAMI selected several problems from the long list to develop a roadmap of specific interventions that CAMI could support. CAMI selected problems according to the following criteria:

- Problem corresponds with CAMI mandate;
- CAMI beneficiaries have technical capabilities and political will to address the problem;
- Roadmap to address the problem can be completed within the project duration.

CAMI has five priority impact areas. When the selected problems were grouped into five categories in accordance with these impact areas, CAMI decided to omit problems, related to financial management. This group of problems requires significant investment and major changes at the national level. The roadmap for CAMI interventions includes the following problems:

1. Local economic development: LSG's functions with respect to LED are not clearly defined;
2. Local Services: Inability of LSG to manage disposal of solid domestic wastes;
3. Internal operations: Problems of interaction between executive and representative bodies of LSG;
4. Interaction with citizens: Inadequate communication between Ayil Okmotu and local communities.

3.3.2 SUPPORT TO LSG STRENGTHENING REFORMS VIA FORUMS

According to the USAID recommendation, the second Forum of Aimaks planned in Year 2 was postponed to the beginning of Year 3 to involve the newly appointed U.S. Ambassador in the Kyrgyz Republic Donald Lu.

CROSS-CUTTING ACTIVITIES

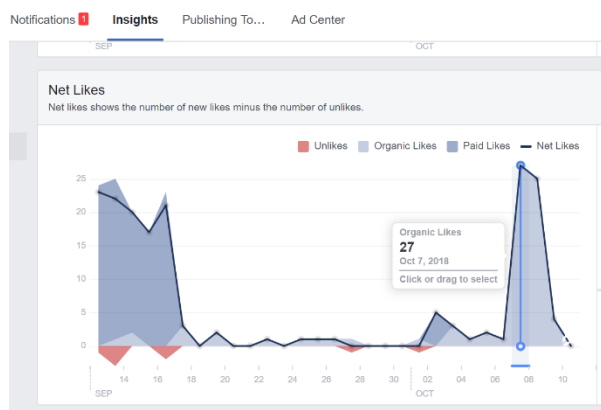
COMMUNICATIONS ACTIVITIES

CAMI integrated new tools for communicating its messages, continuing to apply its media relations, social media marketing and other conventional communications activities in conveying main messages and covering project's events and achievements. During this quarter, CAMI produced three video materials on success stories of project's beneficiaries. The video materials explore how the project activities supported the personal and professional endeavors of citizens residing in target aimaks.

The video on Jeti-Oguz aimak in Issyk-Kul region tells a story of schoolchildren training at taekwondo, box and other sports with a professional coach in a newly-built sports complex. The video on Lipenka aimak in Issyk-Kul region shows how local professional music teacher launched music and dance classes at a local cultural center. These music and dance classes unite kids of different age and serve as a talent incubator. The third video demonstrates the story of Darkhan LSG that opened music and dance classes at a local cultural center. The story focuses on “Shayir Apalar” (“Happy Grandmothers”) music group that found a place to rehearse and develop their talents.



CAMI published the videos on its Facebook page with teaser photos accompanying the release date of videos. This resulted in increased community and online engagement with residents of partner aimaks. Examples of comments received on the Facebook page included “We are proud of our talents” and “Let our aimak develop!”



Additionally, CAMI succeeded to cooperate with regional media outlets. Regional TV channel “Issyk-Kul TV” aired a special 25-minute long broadcast “Ayil Ajary” (“Village’s Story”) on CAMI study tour organized in Issyk-Kul region on August 23-24, 2018. The report focused on the purpose and topics of the study tour, included interviews with the event participants and mentioned the USAID support.

CAMI recruited a production studio to produce a video about the study tour in a storytelling format. A

30-second long video teaser was published on CAMI Facebook page. CAMI will showcase a four-minute video to key national, local and international stakeholders at the next Forum of Aimaks.

PROGRESS ON PERFORMANCE INDICATORS

The table below demonstrates CAMI's progress on performance indicators in Quarter 4 of Year 2.

Indicator Name	Unit of measure (disaggregation)	FY I Actual	FY II		FY I-FY II Cumulative Actual	Notes
			Target	Actual		
% change in citizen trust in local government to provide efficient services	Percentage change (by raion, gender, age)	3.5%	9%	10.9% Round I-3.6% Round II-5.6%	Round I-7.1% Round II-5.6%	
Number of LSGs with improved effectiveness-legitimacy gap scores	Number(by LSG group)	16	16	32	32	The effectiveness-legitimacy gap scores improved in 32 LSGs
F. 1 Number of mechanisms for external oversight of public resources use supported by CAMI	Number(by LSG, raion)	4	6	2	6	
F. 2 Number of government officials receiving U.S. Government-supported anti-corruption training	Number(by LSG, raion, gender, age)	N/A	96	109	109	
Project level Impact Indicators						
Project Intermediate Result 1: Improved LSG effectiveness, as defined by improved competency, capacity, and solutions to perform devolved functions and services						
I.1 Number of LSGs with improved effectiveness score, based on LSGPAT/CPAT	Number(by raion, by population category)	15	16	31	31	The effectiveness scores increased in 31 LSGs: Round I-15 LSGs Round II-16 LSGs
I.2 Average % increase in LSG effectiveness scores, based on LSGPAT/CPAT	Number(by raion, by size of LSG)	27%	9%	20%	38%	Round I The total score of 16 LSGs (first performance progress)--1016 points The total score of 16 LSGs(second performance progress)--1132 points $1132-1016=116/1016*100=11.4\%$ Round II The total score of 16 LSGs (first performance progress)--655 points The total score of 16 LSGs(second performance progress)--877 points $877-655=222/655*100=34\%$ The average % increase in LSG effectiveness scores for 32 LSGs--20%, the cumulative--38%.
I.3 Number of Kyrgyzstan LSG staff and experts with improved capacity	Number(by raion, gender)	128	192	456	584	Q 1 LSGs in Round I # of participants-156 # of new participants (parts. who have not attending another training)-45 # of the new participants with improved capacity -43 Q2 Round I and II LSGs # of participants-573

						# of the new participants with improved capacity -291 (Round I-69 participants; Round II-222 participants) Q3 Round I and II LSGs # of participants-353 # of the new participants with improved capacity -97 (Round I-27 participants; Round II-70 participants) Q4 Round I and II LSGs # of participants-130 # of the new participants with improved capacity -25 (Round I-2 participants; Round II-23 participants)
1.4 Number of municipalities with completed Visible Improvement Strategy (VIS) with participation of the community	Number(by raion, by population category)	16	32	16	32	The 16 LSGs in R II approved 16 VIS. The total 32 LSGs developed VIS by Year II.
1.5 Average percentage of the tasks completed of VIS across program LSGs	Number(by LSG, raion, task)	Round I-42% (1 service)	20%	Round I-77% (3 services) Round II-87% (1 service)	Round I-77% (3 services) Round II-87% (1 service)	
1.6 Number of LSGs that practice participatory and improved budget procedures	Number(by raion, by size of LSG)	16	22	16	32	1)Conducted trainings on "Issues of organization and conduction of public budget hearings and civic budget development" and "Training on budget process for Local Councils" for participants from 32 LSGs 2)Conducted public hearings on budget in 32 LSGs.
1.7 Number of LSGs with service-oriented Aiyl Kenesh (AK)/City Kenesh (CK) committees	Number(by raion)	9	16	16	25	1)The LSGs created the Working Commissions on VIS development.), AK staff members were included in the Working Commissions 2)The AK approved 16 VIS by Decree 3) 16 LSGs in Round II approved additional list of standards
1.8 Number of LSGs with increased own source revenues	Number(by LSG, raion, type of revenue)	N/A	N/A	N/A	N/A	Measurement in Year 3
1.9 Number of forums on local government strengthening supported by CAMI	Number(by raion)	2	4	1	3	The first forum was conducted in Q 3, 2018, the second forum was postponed.
Project Intermediate Result 2: Increased LSG legitimacy as defined by improved community engagement, responsiveness, and accountability with respect to devolved functions and services						

2.1 Number of LSGs with improved legitimacy scores, based on LSGPAT/CPAT	Number	10	16	32	32	The legitimacy scores increased in 32 LSGs: Round I-16 LSGs Round II-16 LSGs
2.2 Average percentage increase in LSG legitimacy scores, based on LSGPAT/CPAT		9.6%	9%	7.8%	13%	Round I The total score of 16 LSGs (first performance progress)-657.5 points The total score of 16 LSGs(second performance progress)--695.2 points $695.2-657.5=37.7/657.2*100=5.7\%$ Round II The total score of 16 LSGs (first performance progress)-601.4 points The total score of 16 LSGs(second performance progress)--662.2 points $662.2-601.4=60.8/601.4*100=10\%$ The average % increase in LSG Legitimacy scores for 32 LSGs-7.8%, the cumulative-13%.
2.3 Number of citizen charters launched by CAMI support	Number(by LSG, raion, service)	4	22	23	27	
2.4 Number of public dialogues held by LSGs with participation of community, conducted directly with CAMI support	Number(by LSG, raion)	32	128	110	142	16 public dialogues were conducted in 16 LSGs in Q 1, Y 2 50 public dialogues on Budget, charters and VIS issues were conducted in 32 LSGs in Q2, Y2 16 public dialogues on Budget, charters and VIS issues were conducted in 16 LSGs in Q3, Y2 28 public dialogues on Budget and VIS issues were conducted in 26 LSGs in Q4, Y2.
2.5 Number of people attending the local mechanisms established or improved with the support of CAMI for citizen involvement	Number(by LSG, gender, age, organization)	1,258	2,400	6,416	7,674	Q 1: The 452 people participated in public dialogues, out of them (155 female, 297 male) Q 2: The 3,252 people participated in public dialogues, out of them (1,232 female, 2,020 male) Q 3: The 1,128 people participated in public dialogues, out of them (481 female, 647 male) Q 4: The 1,584 people participated in public dialogues, out of them (613 female, 971 male)
2.6 Number of LSGs with public outreach strategies, launched by CAMI support	Number(by raion)	4	22	20	24	
Project Intermediate Result 3: Furthering and sustaining indigenous Kyrgyzstan LSG support capabilities that are competent and able to provide on-going assistance to communities and their leadership						

						Y2, Q 1 1. PEA Report on the national level 2.Regulation for Calculating Costs for Solid Waste Collection and Removal Y2, Q 2 Eighth (8) Visible Improvement Strategies Y2, Q 3 Eighth (8) Visible Improvement Strategies City Performance Appraisal Tool (CPAT) Y2, Q4 1. PEA report at the local level 2. Code of Ethics 3. Regulation on assets management 4. Practical guide on service delivery on local level Five (5) Regulations of the Union of LSGs Twenty (20) Communications Strategies
3.1 Number of resources developed or improved with CAMI support to strengthen LSG performance and build sustainability	Number(by LSG,type of mechanism)	23	44	48	71	
3.2 Post-activity mechanism for LSG assistance and support established		N/A	N/A	N/A	N/A	Measurement in Year 4

MANAGEMENT

PERSONNEL AND RECRUITMENT

Administration

In line with the Work Plan for Year 2, CAMI recruited new Field Officers in the Kochkor, Naryn, Aravan and Nookat regions. Due to an increased workload from adding 18 new partner LSGs, the Project team informed the Home Office about the need to recruit two additional team members - M&E Assistant and Procurement Assistant - in Year 3. The recruitment and selection process began in September 2018.

During the quarter, CAMI procured 7 laptops and 7 smartphones as part of the activity on introducing WhatsApp mobile feedback mechanism in 7 partner LSGs.

ANTICIPATED ACTIVITIES IN THE NEXT QUARTER

In the next quarter, the project team will focus on the following activities:

- Meet officials in raions and partner LSGs of Round III to introduce CAMI Project

OUTCOME I: INCREASING LSG EFFECTIVENESS

- Conduct focus groups in Round III with involvement of AO/CA staff and deputies of AK/CK to set priorities for VIS;
- Conduct ToT on VIS methodology for selected LSGs representatives;
- Assist LSG to complete a visible improvement strategy;
- Present and discuss findings of the baseline effectiveness survey and focus-groups with Round III LSGs;
- Assist Working Commissions to prepare the draft VIS;
- Finalize the draft VIS and approve by decision of the head of LSG;
- Build core capacities of Round III LSGs for visible service performance through the following trainings:
 - Cluster trainings on VIS development;
 - Cluster trainings on developing standards of the additional register of services;
 - Cluster trainings on tax administration.
- CAMI technical specialists will assist LSGs in planning, budgeting, service management, and oversight related to selected service in Round I, II and III;
- Provide coaching to partner LSGs on the following topics:
 - Maximize own source revenue;
 - Tax administration;
 - Budget efficiency.

OUTCOME II: INCREASING LSG LEGITIMACY

- Institutionalize stakeholder engagement in development of visible improvement strategy;
- Conduct focus groups in Round III with involvement of citizens, NGO, minorities, vulnerable groups, women, and youth to set priorities for VIS;
- Engage citizens, NGO, minorities, vulnerable groups, women, and youth in Working Commissions;
- Present and discuss findings of the baseline legitimacy in Round III survey and focus-groups;
- Institutionalize stakeholder engagement in planning, resourcing, service managing, and oversight;
- Conduct monitoring the implementation of services under VIS;
- Conduct training on the role of deputies of AK/CK in budget process and resource oversight;
- Support for citizen monitoring; launch mobile feedback mechanism via WhatsApp;
- Conduct an initial meeting with partner city and Working Commissions to introduce the Mobile feedback mechanism;
- Conduct training on Mobile feedback mechanism.

OUTCOME III: FURTHERING INDIGENOUS KYRGYZSTANI LSG SUPPORT CAPABILITIES

- Take initial steps in developing the LSG Best Practice electronic resource/repository;
- Take initial steps in developing the repository of best practices;
- Launch the "Best Practice Award" competition among LSGs;
- Prepare Best Practices for Dissemination;
- Publish CAMI best practices in "Municipalitet" magazine;
- Select NGOs;
- Build the Role and Activities of the Union of LSGs;
- Link the Union with NGOs: conduct working meetings;
- Begin developing a database of the CAMI's regional experts from Working Commissions;
- Explore cooperation with Civil State Agency: transfer of CAMI's products to CSA for trainings of municipal officials.

